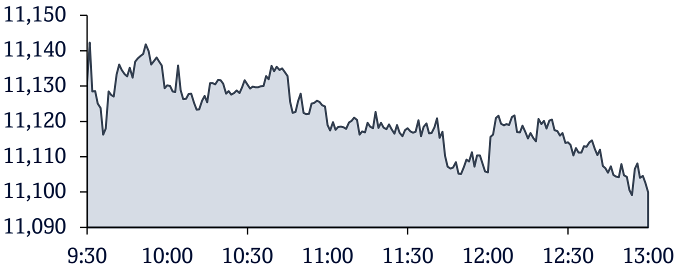
QNB FINANCIAL SERVICES

Daily Market Report

Tuesday, 16 September 2025

الخدمات المالية
Financial Services

QSE Intra-Day Movement



Qatar Commentary

The QE Index declined 0.3% to close at 11,100.0. Losses were led by the Telecoms and Industrials indices, falling 1.1% and 0.9%, respectively. Top losers were Industries Qatar and Qatar General Ins. & Reins. Co., falling 1.7% and 1.5%, respectively. Among the top gainers, Ezdan Holding Group gained 1.8%, while Estithmar Holding was up 1.4%.

GCC Commentary

Saudi Arabia: The TASI Index fell 0.1% to close at 10,427.1. Losses were led by the Banks and Telecommunication Services indices, falling 1.3% and 0.8%, respectively. Saudi Real Estate Co. declined 2.5%, while Al Moammar Information Systems Co. was down 2.2%.

Dubai: The DFM index gained 0.2% to close at 6,041.1. The Industrials index rose 1.4%, while the Consumer Staples index was up 1.3%. DEPA rose 14.3% while Gulf Navigation Holding was up 6.9%.

Abu Dhabi: The ADX General Index gained 0.2% to close at 10,036.4. The Health Care index rose 0.8%, while the Energy index gained 0.5%. Abu Dhabi National Co. for Building Materials rose 7.6%, while Abu Dhabi Commercial Bank was up 4.0%.

Kuwait: The Kuwait All Share Index gained 0.4% to close at 8,816.3. The Industrials index rose 0.9%, while the Real Estate index gained 0.7%. Dar AL Thuraya Real Estate Co. rose 21.7%, while Kuwait Emirates Holding Co. was up 13.4%.

Oman: The MSM 30 Index fell 0.1% to close at 5,090.5. Losses were led by the Financial and Services indices, falling 0.1% each. The Financial Corporation Company declined 8.7%, while Musandam Power Company was down 8%.

Bahrain: The BHB Index fell 0.3% to close at 1,936.4. Solidarity Bahrain declined 2.2% while Al Salam Bank was down 0.9%.

Market Indicators	15 Sep 25	14 Sep 25	%Chg.
Value Traded (QR mn)	398.5	277.7	43.5
Exch. Market Cap. (QR mn)	663,856.0	664,411.2	(0.1)
Volume (mn)	145.1	116.5	24.5
Number of Transactions	23,142	18,063	28.1
Companies Traded	53	52	1.9
Market Breadth	25:23	32:16	–

Market Indices	Close	1D%	WTD%	YTD%	TTM P/E
Total Return	26,540.63	(0.3)	0.1	10.1	12.4
All Share Index	4,160.97	(0.1)	0.2	10.2	12.3
Banks	5,298.08	0.2	0.6	11.9	10.8
Industrials	4,429.00	(0.9)	(0.7)	4.3	15.9
Transportation	5,724.13	(0.0)	0.1	10.8	12.7
Real Estate	1,652.35	(0.1)	0.1	2.2	16.1
Insurance	2,468.06	0.6	1.1	5.1	11
Telecoms	2,249.87	(1.1)	(1.3)	25.1	12.6
Consumer Goods and Services	8,397.80	(0.3)	0.0	9.5	20.5
Al Rayan Islamic Index	5,314.21	(0.5)	(0.2)	9.1	14.3

GCC Top Gainers##	Exchange	Close#	1D%	Vol. '000	YTD%
National Shipping Co.	Saudi Arabia	23.90	6.4	3,004.5	14.2
Abu Dhabi Commercial Bank	Abu Dhabi	14.98	4.0	8,071.5	43.8
Agility Public Warehousing	Kuwait	150.00	3.4	16,741.6	3.7
ADNOC Drilling	Abu Dhabi	5.47	2.8	11,615.3	2.6
Al Ahli Bank of Kuwait	Kuwait	295.00	2.8	5,603.5	19.1

GCC Top Losers##	Exchange	Close#	1D%	Vol. '000	YTD%
Emirates Central Cooling	Dubai	1.68	(2.3)	1,105.3	(7.7)
Al Rajhi Bank	Saudi Arabia	91.00	(2.1)	7,246.9	(3.8)
Emaar Properties	Dubai	14.15	(2.1)	14,970.1	10.1
Etihad Etisalat Co.	Saudi Arabia	60.80	(2.0)	680.6	13.9
Saudi Industrial Inv. Group	Saudi Arabia	16.97	(1.9)	558.5	(1.7)

Source: Bloomberg (# in Local Currency) (## GCC Top gainers/ losers derived from the S&P GCC Composite Large Mid Cap Index)

QSE Top Gainers	Close*	1D%	Vol. '000	YTD%
Ezdan Holding Group	1.252	1.8	25,741.7	18.6
Estithmar Holding	4.095	1.4	12,864.2	141.7
Widam Food Company	2.270	1.3	2,032.5	(3.4)
Qatar Insurance Company	2.072	1.3	1,022.1	(2.4)
Baladna	1.540	1.0	30,368.0	23.1

QSE Top Losers	Close*	1D%	Vol. '000	YTD%
Industries Qatar	12.70	(1.7)	2,029.3	(4.3)
Qatar General Ins. & Reins. Co.	1.300	(1.5)	11.5	12.7
Vodafone Qatar	2.420	(1.2)	656.8	32.2
Ooredoo	13.22	(1.0)	1,058.3	14.5
Qatar Fuel Company	14.90	(0.9)	373.5	(0.7)

QSE Top Volume Trades	Close*	1D%	Vol. '000	YTD%
Baladna	1.540	1.0	30,368.0	23.1
Ezdan Holding Group	1.252	1.8	25,741.7	18.6
Estithmar Holding	4.095	1.4	12,864.2	141.7
Masraf Al Rayan	2.406	(0.2)	9,036.5	(2.3)
United Development Company	1.004	0.0	6,625.3	(10.6)

QSE Top Value Trades	Close*	1D%	Val. '000	YTD%
Estithmar Holding	4.095	1.4	52,413.3	141.7
Baladna	1.540	1.0	46,688.3	23.1
QNB Group	18.60	0.5	42,430.2	7.6
Ezdan Holding Group	1.252	1.8	31,927.6	18.6
Industries Qatar	12.70	(1.7)	25,949.4	(4.3)

Regional Indices	Close	1D%	WTD%	MTD%	YTD%	Exch. Val. Traded ($ mn)	Exchange Mkt. Cap. ($ mn)	P/E**	P/B**	Dividend Yield
Qatar*	11,099.97	(0.3)	0.1	(1.1)	5.0	109.83	182,029.3	12.4	1.4	4.5
Dubai	6,041.12	0.2	1.4	(0.4)	17.1	172.67	281,484.2	9.3	1.5	4.6
Abu Dhabi	10,036.42	0.2	0.8	(0.6)	6.6	305.96	777,591.7	20.8	2.6	2.3
Saudi Arabia	10,427.06	(0.1)	(0.2)	(2.5)	(13.4)	1,746.58	2,310,074.5	17.9	2.1	3.9
Kuwait	8,816.31	0.4	1.1	3.7	19.7	377.92	172,311.9	17.3	1.8	3.0
Oman	5,090.45	(0.1)	0.2	1.2	11.2	44.92	30,159.9	8.9	1.0	5.9
Bahrain	1,936.43	(0.3)	(0.4)	0.4	(2.5)	2.1	18,465.7	12.7	1.3	9.9

*Source: Bloomberg, Qatar Stock Exchange, Tadawul, Muscat Securities Market and Dubai Financial Market (** TTM; * Value traded ($ mn) do not include special trades if any)*

Qatar Market Commentary

- The QE Index declined 0.3% to close at 11,100.0. The Telecoms and Industrials indices led the losses. The index fell on the back of selling pressure from Foreign and Qatari shareholders despite buying support from GCC and Arab shareholders.
- Industries Qatar and Qatar General Ins. & Reins. Co. were the top losers, falling 1.7% and 1.5%, respectively. Among the top gainers, Ezdan Holding Group gained 1.8%, while Estithmar Holding was up 1.4%.
- Volume of shares traded on Monday rose by 24.5% to 145.1mn from 116.5mn on Sunday. However, as compared to the 30-day moving average of 163mn, volume for the day was 11% lower. Baladna and Ezdan Holding Group were the most active stocks, contributing 20.9% and 17.7% to the total volume, respectively.

Overall Activity	Buy%*	Sell%*	Net (QR)
Qatari Individuals	29.64%	29.33%	1,226,399.34
Qatari Institutions	29.13%	30.28%	(4,577,043.14)
Qatari	**58.77%**	**59.61%**	**(3,350,643.80)**
GCC Individuals	0.48%	0.63%	(612,666.53)
GCC Institutions	1.89%	0.61%	5,080,686.25
GCC	**2.36%**	**1.24%**	**4,468,019.72**
Arab Individuals	11.41%	10.08%	5,293,323.58
Arab Institutions	0.01%	0.00%	47,302.39
Arab	**11.42%**	**10.08%**	**5,340,625.97**
Foreigners Individuals	2.33%	1.99%	1,329,654.33
Foreigners Institutions	25.12%	27.07%	(7,787,656.22)
Foreigners	**27.45%**	**29.07%**	**(6,458,001.90)**

*Source: Qatar Stock Exchange (*as a% of traded value)*

Global Economic Data

Global Economic Data

Date	Market	Source	Indicator	Period	Actual	Consensus	Previous
09-15	UK	Rightmove	Rightmove House Prices MoM	Sep	0.40%	NA	NA
09-15	UK	Rightmove	Rightmove House Prices YoY	Sep	-0.10%	NA	NA
09-15	Germany	German Federal Statistical Office	Wholesale Price Index MoM	Aug	-0.60%	NA	NA
09-15	Germany	German Federal Statistical Office	Wholesale Price Index YoY	Aug	0.70%	NA	NA
09-15	China	National Bureau of Statistics	Industrial Production YoY	Aug	5.20%	5.60%	NA
09-15	China	National Bureau of Statistics	Industrial Production YTD YoY	Aug	6.20%	6.20%	NA

Qatar

- **Lesha Bank announces QR182mn Shari'ah-compliant fund investment -** Lesha Bank LLC (Public) is pleased to announce its investment in a private equity global secondaries fund in partnership with leading investment manager. Lesha Bank made the investment of approximately QR182mn, through a Lesha Bank managed entity, in compliance with Sharia principles. (QSE)
- **Fitch: Qatar banks raise $8bn in dollar debt; GCC lenders' issuance to exceed $60bn in 2025 -** Qatar lenders have so far this year raised $8bn and focused on senior unsecured debt issuance; even as the Gulf Co-operation Council (GCC) banks are set to exceed $60bn of US dollar debt issuance in 2025, according to Fitch, a global credit rating agency. (Total) issuance (from the GCC banks) this year is already almost $55bn, well above the 2024 total of $36bn and 2025 maturities of $23bn, Fitch said in its latest report. Most issuances have been from Saudi banks ($28.3bn), followed by the UAE banks ($11bn), Qatari banks ($8bn) and Kuwaiti banks ($7bn), it said, adding sukuk represents nearly half of new issuance, excluding CDs or commercial deposits. The GCC banks have accounted for almost 30% of the US dollar issuance by emerging market banks this year, and more than 60% when excluding Chinese banks, according to the rating agency. The GCC banks are set to exceed $60bn of US dollar debt issuance in 2025, and $40bn excluding CDs, surpassing the record levels of 2024, it said, adding this is driven by heightened maturities, strong credit growth and favorable financing conditions. "We expect continued strong issuance in 2026, supported by further US Fed rate cuts, $36bn of debt maturities, additional strong credit growth in Saudi Arabia and the UAE, and persistent tight domestic liquidity conditions in Saudi Arabia," it said. Subordinated debt issuance by the GCC banks this year has already reached $14.5bn (2024: $7bn), accounting for almost 40% of issuance, excluding CDs (2024: 22%); driven by Saudi banks ($11.2bn) to support financing growth linked to Vision 2030 projects and in anticipation of tighter capital regulation, according to Fitch. Saudi banks have tapped the US dollar Tier 2 debt market for the first time since 2020, and account for most of the $6bn of such debt already issued this year by the GCC banks (2024: $1.5bn). This is mainly to diversify their noncommon equity Tier 1 capital away from additional Tier 1 (AT1), which is still dominant given the modest spread differential between AT1 and Tier 2 debt in the GCC, Fitch said. "The UAE and Qatari banks have focused on senior unsecured debt issuance due to refinancing needs and to diversify their funding bases, especially through ESG (environmental, social and governance) bonds and sukuk," the report said. They have also been active in the Taiwanese Formosa market through floating-rate notes, with the UAE banks raising about $3.5bn and Qatari banks about $1bn, it said, expecting the UAE bank issuance to remain driven by refinancing and diversification as the sector has good liquidity and a solid net foreign asset position. The GCC banks' issuance of short-term CDs from large financial hubs, including New York, London, Hong Kong and Singapore, has skyrocketed to $18bn so far in 2025 (2024: $3bn). Almost 70% of this is by Saudi banks, reflecting cheaper funding than is available domestically in Saudi Arabia. Highlighting that liquidity will remain a key credit challenge for Saudi banks in 2026, and it expects the sector's reliance on external funding to continue increasing; Fitch said the net foreign liability position is likely to stay above 3% of sector assets, which could be credit negative for Saudi banks. (Gulf Times)
- **Diversification drive and LNG expansion to boost financial sector -** Qatari banks are set to benefit from the country's accelerating diversification agenda and the expansion of liquefied natural gas (LNG) production, with credit demand expected to grow across tourism, sporting events, and business exhibitions, according to Moody's Ratings. The outlook comes as non-hydrocarbon GDP growth is projected to rise to 3.5% annually in 2025 and 2026, providing fresh momentum for the banking sector despite mounting pressures profitability. On "Qatari banks, similar to other GCC banking systems. continue to play a pivotal role in implementing the governments' economic diversification agendas in the non-hydrocarbon parts of the economy where they conduct the bulk of their lending activities." Francesca Paolino, Assistant Vice President at Moody's Ratings, told The Peninsula. Moody's expects Qatar's non-hydrocarbon GDP growth to accelerate to 3.5% in 2025 and 2026, compared with 3.4% in 2024. Growth will be supported by projects tied to the country's expanded liquefied natural gas production, along with sporting events, business exhibitions, and tourism-related activity. Private-sector credit growth is forecast to reach 6% in 2025, up from 4% last year. On the other hand. aggregate operating income rose 5% in the first half of 2025, supported by growth in both net interest and non-interest income. However, higher costs eroded the gains. Operating expenses climbed 10% while loan-loss provisions increased 8%, leaving net profit up 1% year-on-year. "We expect higher fee and commission Income, driven by growing

non-funded income-related activities, will offset a potential drop in net interest income in H2 2025 as Interest rate cuts constrain margins, keeping operating Income broadly stable. Paolino said. "Nonetheless, elevated. provisioning costs because of ongoing challenges in the real estate and contracting sectors and rising operating expenses from continued investments in digital services and technology will offset this stability, leading to a decline in net profitability to 1% to 1.1% of tangible assets for full year 2025. Provisioning costs are likely to remain high in the second half, Moody's warned. The sector is being tested by excess capacity in real estate and payment delays in contracting, though banks that provisioned heavily in recent years are beginning to scale back. Net Interest margins, which stood at 2.2%. In the first half, are expected to come under pressure as rate cuts take effect later this year. "Loan Interest rates are likely to decline faster than the rates paid on deposits and other funding costs," Paolino noted, adding that banks' short-term funding profiles would help mitigate the impact. She also emphasized that the sector retains significant buffers, with loan books supported by lending to the Qatari government and public-sector entities, alongside personal loans largely extended to Qatari nationals with high job security. Analysts affirm that credit demand is expected to be strongest in sectors linked to Qatar's LNG expansion, sports and cultural events, business exhibitions, and tourism. Overall, while profitability pressures will persist, the medium-term trajectory for Qatari banks remains underpinned by strong macroeconomic fundamentals and continued government support. Expanding LNG revenues. combined with the diversification agenda, are expected to sustain loan growth opportunities and improve funding resilience. Industry experts argue that ongoing investment in technology, digital banking, and risk management will be critical to strengthening competitiveness, enabling Qatari banks to capture rising demand while navigating cyclical challenges in real estate and external funding markers. (Peninsula Qatar)

- **IGU: Qatar, US play key role in stabilizing European energy crisis -** Qatar and the United States have played a key role in stabilizing the European energy crisis due to the reduction of Russian piped gas supply, according to International Gas Union (IGU). “The 2022-2024 European energy crisis following the reduction of Russian piped gas supply was stabilized using LNG imports from the US and Qatar,” IGU said in its just released Global Gas Report 2025. Similarly, East Asian countries like Japan and South Korea rely on spot LNG purchases to balance seasonal fluctuations, establishing natural gas and LNG as tools for preventing deeper economic or social fallout through resilient and diversified supply, the report noted. Gas has proved itself a vital component of global energy security. LNG trade has historically offered cross-border flexibility to respond to shifting demand- supply dynamics during market uncertainties, it said. Amid rising demand, there is indication of growing LNG supply reinforcing natural gas’ role as a reliable fuel to meet expected shortfalls. Despite tightness in the near term, the global LNG market is expected to gradually ease over the next few years and move into surplus as new supply comes online toward 2030. Around 270 bcm of approved or under construction liquefaction capacity is currently in the pipeline to be commissioned by 2030, primarily driven by projects in the US and Qatar. This marks a new growth phase following a prolonged period of stagnation, reflecting the inherently cyclical nature of the liquefaction sector. These cycles are driven by the capital-intensive nature of projects – typically costing around $0.75bn per bcm – and long development timelines, often spanning four to five years from FID to operation. To manage market risk, developers usually secure most of their capacity through long-term contracts. “Due to these factors, the LNG market is expected to remain broadly balanced, with limited opportunity for new developments in the short term and ample supply by 2030,” IGU said. Uncertainty surrounding the timing of LNG supply persists despite the expected surge associated with the next wave of LNG projects. In October 2024, TotalEnergies revised its forecast, now anticipating that the next wave of LNG supply will only come to market from 2027, two-years after the previously projected 2025 timeline. The supply outlook remains uncertain due to potential delays as well as regulatory, technical and financial risks to projects. While there is a potential for increased project FIDs as a result of US import tariffs, policies such as the sanctions on Russian LNG are set to strike a blow to global LNG supply as upcoming projects’ ability to acquire necessary equipment, secure vessels and find buyers is becoming increasingly limited. IGU said, “Disruptions to key LNG transit routes, such as the Strait of Hormuz, increase shipping times and costs, undermining project economics and investor confidence. This may lead to slower FIDs for projects dependent on long-distance or chokepoint-exposed routes.” (Gulf Times)

- **Al-Attiyah Foundation: Qatar's new green hydrogen initiatives build on its global LNG leadership -** The Middle East is racing to the front of the global hydrogen economy, with GCC countries leveraging ultra-low-cost renewables, world-class infrastructure, and decisive policy backing, according to Al-Attiyah Foundation. Qatar is advancing its landmark 1.2mn tonnes per year Blue Ammonia Project in Mesaieed Industrial City, scheduled to begin operations in 2026, alongside new green hydrogen initiatives that build on its global LNG leadership. Saudi Arabia has achieved record-breaking solar tariffs close to one US cent per kilowatt hour and Oman is targeting more than 8mn tonnes of renewables-based hydrogen by mid-century. In 2024, global hydrogen demand reached nearly 100mn tonnes, but less than one% was supplied from low-carbon sources, and green hydrogen represented only a fraction of that. More than 60 countries have now published national hydrogen strategies, but most of them remain aspirational. The majority are aiming to position themselves as exporters, while only a small number in Asia and Europe have declared intentions to be importers. This imbalance exposes the risk of a growing gap between supply ambitions and credible demand, raising doubts about whether many of these strategies can be realized in practice. The new Al-Attiyah Foundation research paper, ‘Charting National Hydrogen Strategies for Future Trade’, examines how the Gulf states’ abundant solar and wind resources, competitive renewable energy prices, existing export infrastructure, and policy coherence are allowing the region to progress with projects that are already bankable and capable of scaling. The United Arab Emirates continues to expand its clean energy capacity through Masdar and other entities, tying renewable generation to hydrogen and ammonia projects for both domestic and export use. Qatar, through its Mesaieed development and wider portfolio of hydrogen-linked ventures, is cementing its position at the forefront of the sector. Hydrogen offers pathways to decarbonize hard-to-abate industries such as steel, aluminum, cement and fertilizers, and the Gulf states are already embedding hydrogen into these sectors. Doing so reduces the risks of overreliance on export markets, ensures that domestic demand anchors early projects, and positions the region to capture premium margins from low-carbon products. For Europe and Asia, where demand will outstrip domestic supply, partnerships with Middle Eastern producers are likely to become essential to achieving climate goals. The Al-Attiyah Foundation noted that the next five years will determine whether global hydrogen strategies succeed or stall. Many nations face uncertainty due to policy fragmentation, limited carbon pricing, and hesitant offtakers unwilling to pay a green premium. The GCC, by contrast, combines decisive leadership with structural advantages that give it a commanding position. (Gulf Times)

- **Commercial Bank signs agreement with NPCI International to enable UPI acceptance across its Qatar merchant network -** Commercial Bank has signed a strategic agreement with NPCI International Payments Limited (NIPL), the international arm of National Payments Corporation of India (NPCI) to enable Unified Payments Interface (UPI) QR code acceptance across its merchant network in Qatar. This milestone expands the global reach of UPI, strengthening its position as a trusted enabler of seamless cross-border digital payments. UPI is a widely used digital payment method in India, processing over 20bn transactions monthly as of August this year. Through this agreement, Commercial Bank will introduce UPI acceptance across its wide merchant base, offering customers reliable, real-time, and user-friendly payment options. The partnership will focus on broadening payment choices for Indian travelers elevating their payment experience across retail, hospitality, and F&B sectors. Shahnawaz Rashid, Executive General Manager and Head of Retail Banking, Commercial Bank said, “This collaboration with NPCI International reflects Commercial Bank’s commitment to innovation and responsiveness to market needs. UPI is a proven success in India, and we are proud to support its expansion in Qatar, enhancing convenience and customer experience across our network.” Ritesh Shukla, MD & CEO of NPCI International, said, “We are happy to partner with Commercial Bank to expand UPI acceptance in Qatar. This collaboration will soon enable Indian travelers to experience the same convenience, simplicity and trust they experience when using UPI in India." This agreement underlines Commercial Bank's leadership in digital transformation, expanding secure and convenient payment solutions for customers while contributing to the future of cashless transactions in Qatar and NIPL's commitment to expanding UPI's global presence, enabling secure and convenient cross-border payments, advancing the future of cashless transactions. (Gulf Times)

- **Qatar Chamber, Saudi Exports Authority review co-operation opportunities -** Qatar Chamber hosted Monday a trade delegation from Saudi Arabia, representing the Export Development Authority and headed by its vice-president for Services Exports, Saud al-Qablan. Qatar Chamber board member Ali bin Abdullatif al-Misnad received the delegation, in the presence of several other board members, Qatari businessmen, and members of the Saudi delegation. Al-Misnad emphasized the shared commitment to strengthening trade and investment co-operation between the two countries, as well as exploring partnerships and alliances between Qatari businessmen and their Saudi counterparts. He highlighted the strong fraternal relations between Qatar and Saudi Arabia, which, "under the wise leadership of both countries," are witnessing remarkable development across various fields, particularly in the commercial and economic spheres. He noted that trade exchange between the two countries recorded significant growth over the past year, rising from QR2.97bn in 2023 to approximately QR4.88bn in 2024, a 65% increase. Al-Misnad affirmed Qatar Chamber's keenness to support investors and businessmen by providing all facilities that contribute to developing fruitful partnerships, achieving mutual interests, and enhancing both countries' positions on the regional and global economic map. He also called on investors and companies in both countries to explore available investment opportunities, with a focus on non-oil sectors that support sustainable development in line with the National Vision 2030 of both Qatar and Saudi Arabia. Al-Qablan affirmed that Saudi-Qatari relations are longstanding and continue to expand and grow. He noted that the delegation comprises representatives of 26 Saudi companies operating across six sectors: construction, transportation, logistics, information and communications technology, health, education, and consulting services. He said these companies are eager to invest in the Qatari market, achieve greater integration with the Qatari private sector, exchange expertise, and enhance trade between the two countries. Qatar Chamber board member Dr Mohamed bin Jawhar al-Mohamed emphasized the importance of strengthening economic integration and cooperation among the Gulf Co-operation Council (GCC) countries, stressing that the private sector can play a pivotal role in this regard. Board member Abdulrahman al-Ansari stated that numerous opportunities exist for co-operation and partnership between Qatari and Saudi companies across key sectors. He highlighted that the companies represented in the delegation possess extensive experience and operate in areas aligned with the needs of the Qatari market, paving the way for successful partnerships and strategic alliances. (Gulf Times)

International

- **Trump's push to overhaul Fed casts long shadow over policy meeting -** Federal Reserve officials are preparing to gather on Tuesday for a two-day meeting amid rising concerns about the central bank's independence and uncertainty about the composition of its policy-setting committee, as President Donald Trump pushes ahead with a rushed effort to overhaul a pillar of the U.S. economy. A federal appeals court is expected to rule on Monday on whether Fed Governor Lisa Cook can continue in her job while litigation over Trump's attempt to fire her is pending, a ruling that could either upend the Fed's standing as an institution largely free from executive branch influence in setting monetary policy or reaffirm it at least for now. However, the court rules, an immediate appeal to the U.S. Supreme Court is expected, adding a further complication to Cook's status for this week's policy meeting. Meanwhile, the U.S. Senate is expected on Monday to confirm Stephen Miran, the head of the White House's Council of Economic Advisers, to an open seat on the Fed's seven-member Board of Governors, likely positioning the Trump nominee to be sworn in quickly and participate in this week's meeting as a voice sympathetic to administration calls for steep rate cuts. Trump on Monday repeated that call, saying in a social media post in reference to Federal Reserve Chair Jerome Powell that he "MUST CUT INTEREST RATES, NOW, AND BIGGER THAN HE HAD IN MIND. HOUSING WILL SOAR!!!." The Fed has been wary to cut rates because of inflation concerns, but it is expected at the conclusion of its meeting on Wednesday to lower its benchmark interest rate by a quarter of a percentage point to the 4.00%-4.25% range, as officials grow more worried about a sharp drop in job growth and rising unemployment. More cuts may follow in October and December, but at a slower pace than Trump has demanded, with the president's call for a 1% Fed policy rate seen broadly by economists as out of step with what would be needed to keep inflation stable, absent a recession. The Fed's policy decision, however, may be less a focus of the meeting than the expected arrival of Miran and the implications of the coming Cook decision on the central bank as an institution and the direction of U.S. monetary policy. Trump will also be able to replace Powell when the Fed chief's term atop the central bank expires next May. (Reuters)

- **Alphabet enters $3tn market cap club as Big Tech's AI momentum builds -** Google parent Alphabet hit a market capitalization of $3tn for the first time on Monday, riding on renewed optimism around artificial intelligence and a favorable antitrust ruling. Class A shares of the company were up 3.8% at $250, while Class C shares climbed 3.7% to $250.4 - both trading at record highs. (Reuters)

- **China's economy slumps in August, casts doubt on growth target -** China's factory output and retail sales reported their weakest growth since last year in August, keeping pressure on Beijing to roll out more stimulus to fend off a sharp slowdown in the world's second-largest economy. The disappointing data split economists over whether policymakers would need more near-term fiscal support to hit their annual growth target of "around 5%," with manufacturers awaiting more clarity on a U.S. trade deal and domestic demand curbed by a wobbly job market and property crisis. Industrial output grew 5.2% year-on-year, National Bureau of Statistics data showed on Monday, the lowest reading since August 2024 and weaker than a 5.7% rise in July. It also missed forecasts for a 5.7% increase in a Reuters poll. Retail sales, a gauge of consumption, expanded 3.4% in August, the slowest pace since November 2024, and cooling from a 3.7% rise in the previous month. They missed a forecast gain of 3.9%."The strong start to the year still keeps this year's growth targets within reach, but similar to where we were at this time last year, further stimulus support could be needed to ensure a strong finish to the year," said Lynn Song, chief economist, Greater China at ING. "While it is too early to gauge the impact of the consumer loan subsidies coming into effect in September, it is likely that more policy support is still needed, given the broader slowdown across the board. We continue to see a high possibility for another 10bp rate cut and 50bp RRR cut in the coming weeks." Fixed-asset investment also grew at a slower-than-expected 0.5% pace in the first eight months year-on-year, from 1.6% in January-to-July, marking its worst performance outside the pandemic. Authorities are leaning on manufacturers to find new markets to offset U.S. President Donald Trump's unpredictable trade policy and weak consumer spending. Separate data this month showed factory owners have had some success diverting U.S.-bound shipments to Southeast Asia, Africa and Latin America, but the drag from the property crisis continues to offset efforts to steady the economy. Zhaopeng Xing, senior China strategist at ANZ, said that while the data showed momentum in the world's second-largest economy was weakening, it was not yet bad enough to trigger a new round of stimulus. "Policies and measures to support service consumption are expected to offset the impact of aggregate demand this month," he said, adding an official crackdown on firms aggressively cutting prices made domestic demand appear worse than it was. Chinese households, which have seen their wealth shrink in the real estate downturn, have tightened their purse strings as business confidence falters, dampening the jobs market. Unemployment edged up to a six-month high of 5.3% in August, from 5.2% a month prior and 5.0% in June. Meanwhile, new home prices fell 0.3% last month from July and 2.5% on an annual basis, a different NBS dataset showed. "We had expected that retail sales growth would have stayed above 4% before September under consumer subsidies, so what happened these months was a disappointment," said Xu Tianchen, senior economist at the Economist Intelligence Unit. Xu said that China's main economic indicators could worsen over the fourth quarter due to base effects. Officials typically reach for further policy support towards the year end to ensure the economy hits the growth target. "This will raise the likelihood of stimulus in the fourth quarter, including monetary easing, frontloading of debt issuance to this year, and possibly a fiscal expansion," he added. Zheng Shanjie, head of China's state planner, said last week that Beijing would make full use of fiscal and monetary policies and improve its toolkit to achieve annual targets. Weather has also not helped, with manufacturing activity affected by the hottest conditions since 1961 and the longest rainy season for the same period. "But there are more fundamental headwinds too, including fading fiscal support and efforts to curtail overcapacity," said Zichun Huang, China economist at Capital Economics. "While the weak data may trigger some additional policy easing over the coming months, the likelihood is that this proves insufficient to turn things around," she added. (Reuters)

Regional

- **Gulf central banks' net foreign assets hit $ 761.9bn -** The latest data released by the Statistical Centre for the Cooperation Council for the Arab Countries of the Gulf (GCC-Stat) indicated that the net foreign assets of the Gulf central banks rose by 6.3% in 2024 compared to the previous year, reaching about $761.9bn. The total narrow money supply (M1) in the GCC amounted to about $801bn by the end of 2024, marking an increase of 10% compared to its level at the end of 2023. Meanwhile, the broad money supply (M2) reached approximately $1.763tn by the end of 2024, representing a 9.3% increase compared to its value at the end of 2023. Compared to the corresponding quarters of the previous year, the M2 money supply increased in all quarters of 2024, while the M1 money supply recorded a decline in each of the first three quarters of 2023 due to a decrease in the volume of cash deposits. The data issued by the Centre indicate that demand deposits recorded significant year-on-year monthly increases throughout 2024 compared to the corresponding months of the previous year. Quasi-money also posted notable monthly growth rates, though at a decelerating pace. Currency in circulation outside banks likewise increased, but at lower rates than quasi-money. This growth contributed to the rise in the money supply (M1). (Zawya)
- **Saudi liquidity grows 8.4%, reaching $826bn in July 2025 -** Domestic liquidity or available cash in the Saudi economy recorded a remarkable annual growth of SR239.97bn (8.4%), reaching more than SR3.1tn by the end of July 2025, according to the monthly statistical bulletin issued by the Saudi Central Bank (SAMA). The SAMA report showed that the liquidity recorded an increase of SR239,973mn reaching more than SR3,109,761mn, compared to approximately SR2,869,788mn during the same period in 2024. This growth in liquidity reflects the broad concept of money supply (M3), which increased on a quarterly basis by SR64.14bn or 2.1% to reach SR3.12tn by the end of the second quarter of this year, compared to SR3.05tn by the end of the first quarter of the same year. Analyzing the components of money supply (M3), "demand deposits" came in first place, with a contribution of 46.5%, and a value of SR1.44tn, followed by "time and savings deposits," which amounted to SR1.1tn, with a contribution of 36.1%. Other quasi-cash deposits also recorded a level of SR296.71bn, representing 9.5%, while "cash in circulation outside banks" ranked fourth with a value of SR242.3bn, representing a contribution of approximately 7.8%. It is noteworthy that quasi-cash deposits include resident deposits in foreign currencies, deposits against documentary credits, outstanding transfers, and repurchase (repo) operations executed with the private sector. Money supply, as defined by (M1), includes cash in circulation outside banks in addition to demand deposits, while (M2) includes both (M1) and time and savings deposits whereas M3 reflects the broader definition by adding other quasi-cash deposits. (Zawya)
- **Saudi fintech start-up Tamara lands up to $2.4bn financing deal -** Saudi Arabian start-up Tamara has secured an up to $2.4bn financing package from backers including Goldman Sachs (GS.N), Citi (C.N), and Apollo funds that will help the fintech company expand its credit and payment products, it said on Monday. The Shariah-compliant package will refinance and increase a previous $500mn facility, Tamara said in a statement. The deal includes an initial $1.4bn, with a further $1bn available for a three-year period pending further approvals. "The asset-backed facility will increase Tamara's lending power and help the platform grow well beyond its current 20mn customers," the company said. Tamara is among the Gulf Arab region's largest providers of buy-now-pay-later payment systems, which allow consumers to split payments for big-ticket purchases. Some charge consumers late fees. Its rivals in the sector, which gained popularity during the COVID-19 pandemic, include fintech Tabby. The startup reached a valuation of $1bn in late 2023 after a $340mn Series C funding round in which investors including SNB Capital (1180.SE), and Sanabil Investments, owned by Saudi Arabia's sovereign wealth fund, took part. (Reuters)
- **Ras Al Khaimah, CEPA Council announce partnership on UAE-India Start-up Series -** Ras Al Khaimah Economic Zone (RAKEZ) and the UAE–India CEPA Council have formalized a new partnership with the signing of a Memorandum of Understanding (MoU) to collaborate on the UAE–India Start-up Series. The MoU, signed between Yaser Abdulla Al Ahmed, Chief Government and Corporate Relations Officer at RAKEZ, and Ahmed Aljneibi, Director of the CEPA Council, will anchor joint efforts to promote and support high-potential Indian start-ups seeking to go global. Yaser Abdulla Al Ahmed said, "This collaboration marks a strategic step in aligning economic policy with entrepreneurial opportunity. By working closely with the CEPA Council, we are creating seamless access for Indian start-ups to enter and grow in the UAE market. Our role is not just to facilitate entry but to build an ecosystem that helps these ventures thrive and make lasting contributions to our bilateral economic ties." Through this partnership, RAKEZ and the CEPA Council will work together to deliver the Start-up Series, a flagship initiative designed to identify and support the internationalization of promising Indian ventures. Following a rigorous evaluation process, 20 start-ups will be shortlisted to take part in a high-profile pitch event in New Delhi, where five winners will be selected to receive incubation support and market access in the UAE. Ahmed Aljneibi said, "We are thrilled to see over 10,000 Indian start-ups express interest in the UAE–India Start-up Series. This extraordinary response highlights the dynamism of India's entrepreneurial community and the UAE's growing role as a global launchpad for innovation. Our partnership with RAKEZ is about more than an MoU, it is about building bridges for start-ups to scale globally and shape the future of the UAE–India economic corridor." As part of the initiative, RAKEZ has committed to supporting one of the top five winning start-ups in the series by providing and sponsoring a comprehensive soft-landing package in the UAE. Ramy Jallad, Group CEO of RAKEZ, shared his vision for the partnership, "Indian start-ups are at the forefront of global innovation, and their growing interest in the UAE reflects the strength, diversity, and scalability of our ecosystem in Ras Al Khaimah. This partnership with the CEPA Council goes beyond support, it's about empowering bold ideas and turning ambitions into reality. We're proud to offer a launchpad where visionary Indian entrepreneurs can scale their businesses, tap into global markets, and shape the future of the UAE–India growth story. The UAE–India Start-up Series is the first initiative of its kind under the CEPA framework, translating government-to-government commitments into practical real-world opportunities for entrepreneurs. By connecting India's most promising ventures with the UAE's business-friendly environment, world-class infrastructure, and global networks, the Series aims to accelerate cross-border collaboration and set new benchmarks for innovation-led growth. With more than 10,000 applications already received, the Series has become a powerful demonstration of the appetite among Indian start-ups to expand internationally and of the UAE's position as a partner of choice for global entrepreneurs. The collaboration between RAKEZ and the CEPA Council signals a shared determination to harness this momentum, creating long-term value for both economies and reinforcing the UAE–India partnership as a driver of innovation, investment, and sustainable growth. (Zawya)
- **Number of youth-led businesses joining Abu Dhabi Chamber skyrockets 97.8% in year -** The Abu Dhabi Chamber of Commerce and Industry (ADCCI) reaffirmed its commitment to empowering young people and strengthening their role in economic development through the Abu Dhabi Youth Business Council, a strategic platform dedicated to supporting young entrepreneurs and enhancing their capabilities in line with the Emirate's priorities in innovation and entrepreneurship. According to the Chamber's latest data, a remarkable 97.8% increase in youth

memberships was registered within just one year (2023–2024), underscoring Abu Dhabi's appeal as a dynamic business hub and the growing confidence of young entrepreneurs in the opportunities it offers. The figures further show a near-even split by nationality, 49% Emirati and 51% non-Emirati, highlighting the diverse and inclusive nature of the Emirate's business community. More than 21,240 members, between the ages of 18 and 35, joined the Abu Dhabi Chamber as of August 2025, with registered capital exceeding AED 14.9bn, reflecting the growing contribution of youth to the national economy. 40% of young entrepreneurs are engaged in wholesale and retail trade, followed by construction, administrative services, hospitality, restaurants, and other key industries. Mansoor Al Sayegh, President of Abu Dhabi Youth Business Council, said: "The Abu Dhabi Youth Business Council serves as a vital platform enabling young entrepreneurs to transform their ideas into impactful ventures that drive economic growth. We believe youth should not wait for opportunities but shape them with fresh thinking and bold ambition, and our programs and specialized initiatives are designed to achieve this." He added: "The Council's strategy is built on five main pillars: representing youth interests, developing legislation and governance, building skills and qualifications, strengthening partnerships and networking, and promoting business opportunities. These efforts are directly supported by the Abu Dhabi Chamber, which places youth empowerment at the heart of its priorities." Al Sayegh also emphasized that the Chamber is committed to providing a nurturing and stimulating business environment that enables youth to compete locally, regionally, and internationally, further cementing Abu Dhabi's position as a leading hub for innovation and entrepreneurship. The Abu Dhabi Youth Business Council continues to launch targeted initiatives to enhance the youth business ecosystem, including free consultancy services for business setup, complimentary membership in the "Abu Dhabi Youth Business Gateway" platform, support with commercial license issuance, and facilitation of local and international expansion for startups. These efforts form part of the Chamber's broader commitment to strengthening youth participation in the national economy and empowering the next generation to play a central role in shaping the future of business, in line with Abu Dhabi's vision of building a competitive, diversified, and sustainable economy. (Zawya)

- **Construction firm ALEC Holdings to offer 20% stake in Dubai IPO -** ALEC Holdings, a Dubai-based engineering and construction firm, said on Monday that it will sell 1bn shares, representing a 20% stake, in an initial public offering, tapping into strong investor demand and a construction boom in the Gulf. The deal could raise $400mn, two sources with knowledge of the matter told Reuters. The subscription period will run during September 23-30, with the offer price announcement scheduled for October 1. Shares are expected to make their debut on the Dubai Financial Market on or around October 15, the company said. ALEC Holdings, which is wholly owned by the Investment Corporation of Dubai (ICD), has operated in Saudi Arabia since 2020 and also maintains a strong presence in the United Arab Emirates. Following the IPO, the ICD will retain an 80% stake in the company. ALEC intends to distribute a cash dividend of 500mn dirhams ($136.13mn) for the 2026 financial year and, from then on, aims to pay cash dividends on a semi-annual basis with a minimum payout ratio of 50% of net profit. In a separate statement addressing questions about the IPO and its fundraising target, the company said it "does not comment on market rumors and speculation," citing company policy. The UAE's IPO market has surged in recent years, underpinned by blockbuster listings from both state-backed entities and private firms, generating billions in new equity sales. Following that wave of initial flotations, activity is now shifting toward follow-on offerings, as shareholders from sovereign wealth funds to family-owned businesses seek to reduce their stakes through public markets. Meanwhile, Gulf contracting firms are benefiting from robust housing demand and a sharp increase in infrastructure spending, fueled in part by Dubai's resurgent real estate market. Dubai, home to the world's tallest skyscraper, has become one of the world's fastest-growing cities, surpassing a population of 4mn in August, according to government estimates. The DFM equity index has climbed more than 16% this year, among the best-performing benchmarks in the region and has outperformed the S&P 500 index. (Reuters)

- **Sharjah records 361% growth in capital investment -** The Sharjah FDI Office (Invest in Sharjah) has announced an exceptional increase in foreign direct investment during the first half of 2025, marking the strongest performance among all UAE emirates. In this time period the emirate recorded 74 FDI projects, a 57% surge from the 47 projects in the same period last year; with capital investment soaring by 361% to $1.5bn, up from $325mn; and job creation rising by 45%, resulting in 2,578 new positions compared to 1,779 in H1 2024. These figures highlight Sharjah's accelerating economic momentum and growing investor confidence, and the emirate's ability to convert capital into sustainable development and inclusive growth. Sheikha Bodour bint Sultan Al Qasimi, Chairperson of the Sharjah Investment and Development Authority (Shurooq), stressed that Sharjah's impressive economic trajectory and its status as the fastest-growing emirate in the UAE are the result of a comprehensive vision that places human wellbeing and balanced development at the heart of its priorities. Sheikha Bodour stated that the real power of these latest figures lies in the change they bring to people's lives and the legacy they leave for future generations. "Through this investment we are strategically directing capital to unite ambition with community needs, merging culture and development to forge a resilient and adaptable model for sustainable growth." Mohamed Juma Al Musharrkh, CEO of Invest in Sharjah, noted that the emirate's continual growth reflects a clear strategic vision and integrated policy framework that supports investment, anchored by economic and financial stability, advanced infrastructure, and a flexible regulatory environment. He pointed out that Sharjah's comprehensive ecosystem has bolstered the trust of both global and domestic investors, reinforcing Sharjah's position as a leading destination for business and investment. Al Musharrkh added, "This level of growth is a powerful tool for reshaping the emirate's development landscape by enabling national talent through quality employment opportunities and widening economic participation. Sharjah has become a prime example for transforming capital into effective social and economic value, fostering a development model that balances economic strength with social stability." February 2025 saw the highest volume of FDI activity in terms of both project count and capital investment, reflecting strong market momentum from the beginning of the year and reinforcing Sharjah's growing reputation as a secure and promising platform for strategic investment. The consumer products sector led growth in the emirate, registering a 53% increase in project count and a 188% rise in capital investment, reflecting growing demand for new products and services. The F&B sector posted 112% growth in the project volume and a 25% increase in job creation, consolidating Sharjah's role as a regional hub for food security and related industries. The business services sector experienced a substantial boost, with a 500% increase in project activity and a 1100% surge in employment, highlighting the sector's labor-intensive nature and direct contribution to job creation. The industrial equipment sector recorded 100% growth in project volume and a 45% rise in capital expenditure, underscoring the advancement of Sharjah's manufacturing industries sector and its role in expanding and diversifying the economy. Key strategic projects announced in the first half of 2025 included a residential community by Kuwait Real Estate Company to meet rising housing demand; a polyethene film recycling plant by Italy's Greenthesis Group, supporting Sharjah's circular economy goals; and a warehouse and distribution hub by India's Gxpress, strengthening the emirate's logistics capabilities and e-commerce infrastructure. India's Vinsmera Jewels also launched a gold jewelry manufacturing facility and retail outlet, reinforcing Sharjah's luxury manufacturing sector, while Singapore's G-TEC established a training and certification center to enhance local ICT talent and workforce development. The investment data and insights referenced in this report, sourced from 'fDi Markets', the Financial Times' leading database for cross border greenfield investments, position Sharjah's performance within a trusted global benchmark; underscoring the emirate's rising profile among the world's most effectual investment destinations. (Zawya)

- **$488.6mn battery project to help Oman achieve green energy goals -** With a project investment of over OMR188mn for the manufacturing of batteries, the shift towards cleaner sources of energy will get a major boost. It will help Oman in achieving net-zero greenhouse gas emissions by 2050, significantly increasing the share of electricity from renewable sources. and enhancing energy efficiency. The investment will be implemented in phases over four to six years. The first phase alone is valued over OMR73mn. Covering an area of approximately 370,000 square meters, the project will focus on producing lithium iron phosphate (LFP CAM), ammonium phosphate, iron salts, and carbon materials used in battery applications for electric vehicles, energy storage, and modern electronic technologies. The facility is expected to support production of up to 100 gigawatt-hours of batteries in stages, serving both the electric vehicle industry and energy storage solutions. The Public Authority for Special Economic Zones and Free Zones (OPAZ), together with the Salalah Free Zone, celebrated the signing of an agreement for an advanced battery chemical materials project to be implemented by GFCL EV (SFZ) LLC, a subsidiary of the global InoxGFL Group. The signing ceremony took place at the headquarters of the Public Authority for Special Economic Zones and Free Zones, in the attendance of Sheikh Dr. Ali bin Masoud Al Sunaidy, Chairman of OPAZ, along with senior officials from the Authority, the Salalah Free Zone, and GFCL. The agreement was signed by Eng. Ahmed bin Hassan Al Dheeb, Deputy Chairman of OPAZ, Dr. Ali bin Mohammed Tabouk, Chief Executive Officer of Salalah Free Zone and Bimlesh ChanderJain, Authorized Manager of GFCL EV (SFZ) LLC. Dr. Ali bin Mohammed Tabouk, CEO of Salalah Free Zone, said, “This agreement reflects the outcome of coordination with ‘Invest Oman’ and the Public Authority for Special Economic Zones and Free Zones, and highlights the growing confidence in Oman’s investment environment. It represents a strategic addition to the Salalah Free Zone, showcasing its ability to attract high-value projects in the green industry sector. This project will act as a driver for advancing green technologies, reinforcing Oman’s position as a regional hub for advanced battery manufacturing.” He further stressed that the project will contribute to knowledge transfer and the localization of expertise, in addition to fostering partnerships with SMEs and creating quality job opportunities for national talent, in line with the goals of Oman Vision 2040 of building a diverse and sustainable knowledge-based economy. Dr. Said bin Khalifa Al Quraini, Director General of the Investment Development Sectorat OPAZ, stated that the Authority is working to attract strategic projects aligned with Oman’s goal of achieving carbon neutrality by 2050 and the economic diversification objectives of Oman Vision 2040. He added, “This project is another milestone for green industries across the economic zones, free zones and industrial cities overseen by the Authority. It opens new horizons for global partnerships in the electric vehicle industry, equipment, spare parts, and advanced clean energy storage solutions. It is an important step towards consolidating Oman’s position as a regional hub for clean energy industries and future technologies, while enhancing the competitive advantage of these zones in attracting foreign direct investment.” The project seeks to establish a local base for lithium battery materials production, opening wide opportunities for investment across the battery value chain. It will also create direct and indirect jobs and help develop the skills of Omani youth in this vital sector. OPAZ, in cooperation with the National Negotiation Team, has worked to link the project with essential service incentives to achieve sustainable local value through economic diversification, industrial innovation, technology transfer and building a strong national supply chain that empowers Omani talent. In line with its commitment to community development, GFCL aims to build strategic partnerships with SMEs through a comprehensive corporate social responsibility program designed to make a tangible impact on the local community and foster the growth of local businesses. (Zawya)

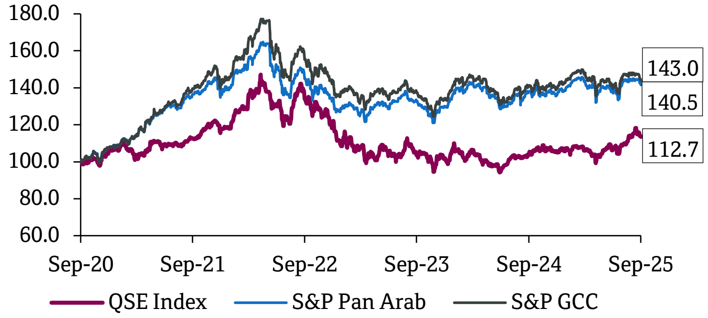
- **Oman Investment Authority launches Energy Transition Fund -** Oman Investment Authority (OIA) has announced the launch of the Energy Transition Fund, a joint initiative between Future Fund Oman and Templewater, a leading alternative asset management firm in Asia. This initiative, first announced in Muscat last July, marks a significant step towards accelerating the global shift to clean energy and strengthening strategic cooperation between Oman, the GCC, and China, reported ONA. The official launch was announced on the sidelines of OIA’s participation in the 10th Belt and Road Summit, which was held in Hong Kong, in the presence of government and business leaders convened to explore investment opportunities and reinforce economic partnerships among Belt and Road Initiative members. The Initiative, launched by China in 2013, is one of the world’s largest global infrastructure and connectivity programs, linking more than 70 countries in Africa, Asia and Europe through a network of land and maritime economic corridors. Representing OIA, Ibrahim Said Al Aisri, Chief of Private Equities, joined as an official speaker in the panel session on new destinations in emerging markets. The joint fund, established with an initial capital commitment of approximately RO 77mn ($200mn), will accelerate Oman’s energy transition while advancing economic diversification. It will target high-potential sectors including clean electricity, clean fuels, energy storage, e-fuels for industry, smart mobility, renewable energy, and low-emission data centers. The fund is expected to invest in five to ten projects over its initial five-year investment period, followed by a further five years of project holding. Several projects are already under advanced technical and financial evaluation. Underscoring the significance of regional partnerships, and reflecting OIA’s outward-oriented strategy, Templewater has opened a new office in Muscat. This expansion highlights the firm’s commitment to the Omani market and its ambition to serve as a platform for channeling capital into energy transition projects in Oman and across the region. The presence of Templewater in Muscat will also support knowledge transfer, training opportunities, and capacity building for Omani talent in priority sectors. “The new investment fund with Templewater embodies OIA’s efforts to attract high-quality investments that support Oman’s transition to clean energy.” Said Sheikh Nasser Sulaiman Al Harthy, Deputy Chairman of Operations at Oman Investment Authority. “Through this initiative, we aim to establish sustainable projects based on transformative technologies with long-term impact, reinforcing Oman as a trusted regional hub for renewable energy. It also supports economic diversification in line with the pillars of economy, development and environmental sustainability under Oman Vision 2040. Our objective is to generate both economic and environmental value that combines innovation with responsible investment, serving national priorities while enhancing the global competitiveness of our portfolio.” Cliff Zhang, Chairman and CEO of Templewater, said: “Our partnership with Future Fund Oman to launch this initiative reflects our shared vision for a cleaner, more resilient energy future. By opening our Muscat office, we are reinforcing our commitment to the region and working with the fund to deliver transformative projects. We believe in Oman’s progressive investment environment and are dedicated to scaling technologies that drive both climate impact and economic returns. This launch also represents deeper financial strategic ties between Hong Kong and the GCC.” The fund is expected to attract global strategic partners and institutions in clean energy and green technologies, thereby fostering innovation, supporting start-ups, and reinforcing Oman’s efforts to address climate change challenges. It also aligns with Oman’s national commitment to achieve net zero emissions by 2050. The collaboration between Future Fund Oman and Templewater builds on high-level discussions between Oman, represented by OIA, and the Government of Hong Kong. (Zawya)
- **Royal Decree to help strengthen Oman and Iran trade relations -** A Royal Decree No. (71/2025) was issued ratifying the Preferential Trade Agreement (PTA) between the Sultanate of Oman and the Islamic Republic of Iran, a step that will enhance economic and trade relations between the two countries and open new heights for joint investment, in line with the goals of Oman Vision 2040. Dr Saleh bin Said Masan, Undersecretary of the Ministry of Commerce, Industry and Investment Promotion (MoCIIP) for Commerce and Industry, affirmed that the agreement marks an important milestone in the course of bilateral cooperation between the two countries. He pointed out that it will help stimulate trade exchange, increase investment opportunities, and enhance the competitiveness of national products in foreign markets, in support of the economic diversification objectives of Oman Vision 2040. Removing non-tariff barriers: He explained that the agreement includes key objectives, most notably reducing and eliminating customs duties on goods of national origin, removing non-tariff barriers that limit trade flows, organizing trade exchange mechanisms within a legal framework that guarantees the rights of companies and investors, ensures equality in trade treatment, expands avenues for industrial cooperation, and secures the sustainability of supply chains with neighboring countries. He further noted that the agreement is expected to strengthen joint investments in sectors such as industry, logistics, agriculture, and

petrochemicals, in addition to expanding the presence of Omani products in Iranian and regional markets and accelerating trade flows through ports and maritime gateways. For his part, Khamis bin Abdullah Al Farsi, Legal Affairs Advisor to the Minister of Commerce, Industry and Investment Promotion, stated that the agreement establishes a supportive legal framework to simplify customs procedures, provide greater protection for investors, and reinforce the principles of transparency and fairness in trade dealings, thereby creating a more attractive investment environment for capital inflows. The Advisor pointed out that data from the National Centre for Statistics and Information (NCSI) showed that Oman's trade balance with Iran recorded a surplus of OMR210.3mn ($546.8mn) in 2024, driven by a 69% increase in exports and re-exports which reached OMR361.2mn. Imports also grew by 22.7% to reach OMR150.9mn. Meanwhile, the volume of trade exchange between the two countries rose from OMR335.8mn in 2023 to OMR512.1mn ($1.33bn) in 2024, representing growth of 52%. (Zawya)

- **Oman: Sohar Port handles 34 metric tonnes of cargo in the first half of 2025 -** Total cargo handling at Sohar Port and Freezone during the first half of this year reached 34mn metric tonnes, impacted by geopolitical shifts in the region compared to the same period in 2024. This is in parallel with extensive investments in developing facilities and adopting advanced digital solutions to enhance operational capacity. These developments will accelerate the pace of handling and enhance the integrated system's global competitiveness. Dredging work at the LNG jetty has been completed, enhancing Oman's strategic energy export capabilities and providing promising development opportunities in the near future. Emil Hochsteden, CEO of Sohar Port, said: "Our performance is a reflection of Sohar Port's strategic clarity and long-term commitment to growth. By scaling infrastructure, embedding digital innovation, developing sustainable solutions and cultivating local ecosystems, we are driving Sohar Port's evolution as a future-ready trade hub, vital for Oman and the entire region." "With the record investments last year and the strong continuation this year, we are securing a prosperous and successful future. Moving forward, we will intensify efforts to optimize efficiency, bolster the Omani industry, generate sustainable value for all our stakeholders and attracting quality investments," he further added. He further said that Sohar Port achieved a record investment figure last year, and the momentum continues this year, reinforcing the ambition for a more prosperous and successful future across all fronts. He emphasized the port's continued efforts to enhance its operational efficiency, support industrial growth in the Sultanate of Oman, and add sustainable value to stakeholders, while focusing on attracting quality investments. He pointed out that during the first half of this year, the Sohar Free Zone signed six new land lease agreements covering an area exceeding 92 hectares, with investments exceeding $1.3bn. These projects include the green manufacturing, energy, and logistics sectors, reflecting the zone's role in strengthening cooperation and partnership frameworks within an integrated system. He explained that this contributes to consolidating the zone's position as a vital center for sustainable industrial development and deepening regional trade ties for the Sultanate of Oman. Construction work is also underway on the major infrastructure expansion project in the Sohar Free Zone, spanning an area of 670 hectares. This will enhance its capacity, create an attractive environment for future industries, and confirm its position as a major trade and investment hub in the region. Mohammed bin Ali Al Shezawi, Acting CEO of Sohar Freezone, said that the freezone's continued expansion reflects its strong investment fundamentals and the confidence of regional and international investors in its integrated ecosystem. He noted that by developing 670 hectares, the zone will provide an attractive and conducive business environment for the growth and success of advanced industries, supported by world-class infrastructure, advanced operational processes, and an attractive regulatory framework. The Acting CEO of Sohar Freezone explained that the zone's strategic direction is focused on contributing to the economic diversification of the Sultanate of Oman, in line with global trends toward green energy and the circular economy, thus enhancing the position of Sohar Port and Freezone as a destination for future industrial and logistics services. Sohar Port and Freezone demonstrates its commitment to supporting the national economy through a significant increase in local content indicators. The percentage of purchase orders awarded to Omani companies reached 62%, while the value of orders directed to local suppliers rose to 96%, compared to 91% during the same period in 2024. This growth reflects our commitment to empowering small and medium-sized enterprises, enhancing the role of national competencies, and establishing a sustainable economic and social impact. Sohar Port and Freezone continued to expand its presence through qualitative social responsibility initiatives covering the education, healthcare, and social development sectors, contributing to the empowerment of more than 3,471 beneficiaries during the first half of this year. Alongside its economic and industrial progress, Sohar Port and Freezone reinforced its commitment to building resilient communities in the first half through impactful CSR projects. Focused on education, healthcare, and social development, the initiatives benefited more than 3,471 people, reflecting Sohar Port and Freezone's dedication to social responsibility in line with Oman Vision 2040. Sohar Port and Freezone's performance in the first half of 2025 reaffirms its seminal role as a catalyst for Oman's trade, industrial growth, and sustainable development agenda. With steadfast alignment to Oman Vision 2040, Sohar Port and Freezone continues to build a resilient ecosystem that delivers enduring value to investors and the national economy. (Zawya)

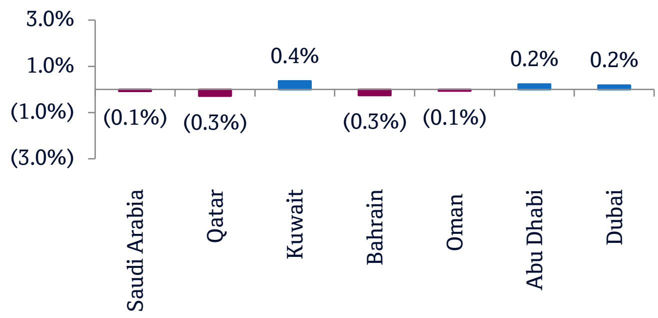
- **Kuwaitis now 32% strong as expat numbers decline -** The Central Statistical Bureau (CSB) revealed the Kuwaiti population increased by 1.32% at the beginning of this year -- 1,566,168, compared to 1,545,781 at the beginning of 2024. Meanwhile, the total population decreased by 0.65%, from 4,913,271 in 2024 to 4,881,254 at the beginning of this year. The percentage of Kuwaitis increased from 31.46% to 32.09%. In the 2025 Population Estimate Bulletin for the State of Kuwait issued on Sunday, CSB disclosed that the non-Kuwaiti population decreased by 1.56% -- from 3,367,490 in 2024 to 3,315,086 at the beginning of this year, while the male and female percentages decreased from 61.49 to 38.51% and 61.21 to 38.79%, respectively. Regarding the population by age group, the bulletin showed that the continuous growth among Kuwaitis reflects the impact of supportive policies, as well as a young population base with a high fertility rate. It indicated that the gradual, albeit slight, increase also reflects a demographic shift, with Kuwaitis gaining a larger share of the total population, from 31.5% at the beginning of 2024 to 32.1% at the beginning of this year. It pointed out the significant implications of these figures for national planning, particularly with regard to public services, education and social programs for citizens. It added that the non-Kuwaiti population decreased from 3,367,490 at the beginning of 2024 to 3,315,086 at the beginning of 2025 -- a decrease of 1.56%. It attributed the decrease to labor market fluctuations, changes in government policies regarding foreign labor, and broader economic transformations in the region. The report asserted that non-Kuwaitis still constitute the majority, at around 68%, in the beginning of this year, but the trend indicates a gradual demographic rebalancing. It stated that the number of males decreased by 1.1%, from 3,021,216 at the beginning of 2024 to 2,987,971 at the beginning of this year. Males constituted the majority of Kuwait's population, at approximately 61%, stating this is common in countries with large expatriate labor communities. It added that the number of females remained almost constant, with a slight increase of 0.06% -- from 1,892,055 at the beginning of 2024 to 1,893,283 at the beginning of 2025. Females constitute about 39% of the population. It indicated that despite the stability of the overall population, the balance between Kuwaiti women and non-Kuwaitis may witness a slight shift, especially with the slight decline in the number of non-Kuwaiti women. The report concluded that the number of non-Kuwaitis, who still constitute the majority, is gradually declining, while the working-age expatriate workforce, particularly males, dominates the demographic structure. It also confirmed an almost healthy gender balance among Kuwaitis. The bureau pointed out that the largest age group among Kuwaitis is evolving toward younger ages, while the largest group among non-Kuwaitis and the total population remains the 35-39 age group. It recommended continuing to monitor labor migration trends and their demographic impact, as well as planning to address the increased demand for Kuwaiti services like education, health and employment. It called for studying policies that support achieving a better population balance, such as supporting family formation and retaining skilled expatriate workers. The report presents the results of the annual population estimates for the State of Kuwait, reviewing population data by nationality (Kuwaiti and non-Kuwaiti), gender (males and females), and the important demographic changes during the year. (Zawya)

Rebased Performance



Source: Bloomberg

Daily Index Performance



Source: Bloomberg

Asset/Currency Performance	Close ($)	1D%	WTD%	YTD%
Gold/Ounce	3,678.99	1.0	1.0	40.2
Silver/Ounce	42.68	1.2	1.2	47.7
Crude Oil (Brent)/Barrel (FM Future)	67.44	0.7	0.7	(9.6)
Crude Oil (WTI)/Barrel (FM Future)	63.30	1.0	1.0	(11.7)
Natural Gas (Henry Hub)/MMBtu	2.99	4.5	4.5	(12.1)
LPG Propane (Arab Gulf)/Ton	71.70	1.4	1.4	(12.0)
LPG Butane (Arab Gulf)/Ton	87.10	1.2	1.2	(27.1)
Euro	1.18	0.2	0.2	13.6
Yen	147.40	(0.2)	(0.2)	(6.2)
GBP	1.36	0.3	0.3	8.7
CHF	1.26	0.2	0.2	14.2
AUD	0.67	0.3	0.3	7.8
USD Index	97.30	(0.3)	(0.3)	(10.3)
RUB	110.69	0.0	0.0	58.9
BRL	0.18	(0.4)	(0.1)	13.6

Source: Bloomberg

Global Indices Performance	Close	1D%*	WTD%*	YTD%*
MSCI World Index	4,273.27	0.5	0.5	15.2
DJ Industrial	45,883.45	0.1	0.1	7.8
S&P 500	6,615.28	0.5	0.5	12.5
NASDAQ 100	22,348.75	0.9	0.9	15.7
STOXX 600	557.16	0.7	0.7	24.7
DAX	23,748.86	0.5	0.5	34.9
FTSE 100	9,277.03	0.2	0.2	23.3
CAC 40	7,896.93	1.2	1.2	21.6
Nikkei	44,768.12	-	-	19.4
MSCI EM	1,328.79	0.2	0.2	23.6
SHANGHAI SE Composite	3,860.50	(0.2)	(0.2)	18.1
HANG SENG	26,446.56	0.2	0.2	31.6
BSE SENSEX	81,785.74	0.0	0.0	1.6
Bovespa	143,546.58	1.6	1.6	38.6
RTS	1,089.6	(1.7)	(1.7)	(4.7)

Source: Bloomberg ($ adjusted returns if any)*

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